

UPDATE Ads POTUS VPOTUS, More McClellan, & Kucinich quotes.

## **White House signals it may be flexible on private accounts' structure**

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By Jennifer Loven

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KIRTLAND, Ohio (AP) \_ The White House signaled Friday it may compromise on how private retirement accounts would be created as part of a Social Security overhaul. President Bush kept pushing for major changes.

"We're not going to get into ruling anything in or out," presidential spokesman Scott McClellan said as Bush traveled here for a Social Security speech.

McClellan was asked about comments by the president's chief economic adviser that Bush was willing to consider the creation of individual investment accounts as an "add-on" to the Social Security system, as Democrats prefer, rather than financing them with a portion of Social Security payroll taxes, as Bush has been advocating.

"We're certainly willing to discuss it," said Allan Hubbard, head of the National Economic Council, who spoke at a breakfast meeting with reporters and was quoted by USA Today.

Democrats have adamantly opposed Bush's plan, in which younger workers would be allowed to divert some of their Social Security tax contributions into private accounts invested in stocks and bonds, noting it would result in a cut in guaranteed benefits. Democrats have said they would be much more inclined to embrace private accounts if they did not require the payroll tax diversion and would be an add-on to the traditional government benefit check rather than a partial replacement.

McClellan portrayed the private accounts as an idea the president has floated, and he contrasted that with many Democrats' opposition.

"Unfortunately, we have too many Democratic leaders who are simply saying what they're against and ruling things out," he said.

Nonetheless, McClellan said Bush "feels so strongly" about private accounts, and the president continues to push for his proposal as the best approach.

"It's part of a permanent solution in order to make sure the younger worker gets a better deal," Bush told a supportive audience at Lakeland Community College here. "The younger worker ought to be allowed to set aside some of the payroll taxes."

Bush campaigned for his idea by highlighting the ability of Ohio public employees to choose the type of retirement program they participate in, either a defined-benefit system run by the state or a defined-contribution plan they manage.

"See, it's an interesting concept that the people of Ohio put in place. The government said, 'Why don't we trust people \_ after all it's their own money,'" the president said after getting a briefing on the program.

Vice President Dick Cheney also touted Bush's Social Security plans Friday at a friendly town hall meeting in Pemberton, N.J. "The important thing for us is to get the debate started," he said.

But Democratic Rep. Dennis J. Kucinich of Ohio said before Bush's appearance that Americans "deserve the truth" from the president on his proposals.

"I believe that scripted, prescreened, theatrical forums, like the one that will be put on today, using taxpayer funds, do the

debate on Social Security a real disservice," he said.

Ohio is the 20th state Bush has visited to promote his proposal since he unveiled it in his Feb. 2 State of the Union address. And the president plans at least three more Social Security events in the next two weeks \_ in Columbia, S.C. on Monday, in Washington on Thursday and in Galveston, Texas, on April 26. Despite the cross-country sales pitch, however, there has been no discernible increase in public or congressional support for his plan.

Bush has not yet offered his ideas for addressing Social Security's future insolvency and has acknowledged that private accounts would not solve that problem.

Before leaving Washington, Bush met with the leaders of Luxembourg and Rwanda. He also used part of his time in Ohio \_ which fell on Tax Day \_ to tout his desire to see tax cuts passed during his administration made permanent, instead of being allowed to expire as they are now set to do.

While in Kirtland, Bush also met privately with the family of a U.S. soldier killed in Iraq.

Besides the Social Security events next week, Bush will travel Tuesday to Springfield, Ill., to participate in the opening of the Abraham Lincoln Presidential Library and Museum, give an energy speech Wednesday, sign legislation making it tougher to erase obligations in bankruptcy, probably also Wednesday, and go to Townsend, Tenn., on Friday for Earth Day events en route to his ranch in Texas.

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On the Net:

White House: <http://www.whitehouse.gov>

Social Security: <http://www.socialsecurity.gov>